BEFORE THE

Federal Communications Commission

WASHINGTON, DC 20554

In the Matter of)	
)	
2018 Quadrennial Regulatory Review – Review of)	MB Docket No. 18-349
the Commission's Broadcast Ownership Rules and)	
Other Rules Adopted Pursuant to Section 22 of)	
The Telecommunications Act of 1996)	

To: The Commission

COMMENTS OF THE CRAWFORD BROADCASTING COMPANY

Crawford Broadcasting Company and its affiliates are licensees of 15 AM and 9 FM commercial broadcast stations in mostly large and medium markets all across the U.S.¹

We submit the following comments in response to the Commission's Notice of Proposed Rulemaking in its 2018 Quadrennial Review ("NPRM"). Our comments herein are limited to the Local Radio Ownership Rule².

While we understand that some industry groups, such as the NAB, favor further deregulation of local ownership rules, we do not. The radio broadcast industry is generally healthy, Some 300 million in our nation listen to free, local, over-the-air broadcast radio on the AM and FM bands. The underlying formula is one that works, and we would encourage the Commission to give careful consideration to this and the potential impact that such changes may have on the industry as a whole.

Our primary concern is that changes in the AM and FM subcaps could have an unanticipated detrimental effect on the industry and on the values of AM stations in particular, which would amount to a reversal of sorts of the gains that the Commission has fostered in its AM Revitalization initiative. As such, we offer the following.

The Commission concluded in its most recent media ownership review that local radio ownership limits promote competition, and it found that the public benefits from that competition.³ We agree with that finding.

The current Local Radio Ownership Rule allows an entity to own: (1) up to eight commercial radio stations in radio markets with at least 45 radio stations, no more than five of which may be in the same service (AM or FM): (2) up to seven commercial radio stations in radio markets with 30-44 radio stations, no more than four of which may be in the same service (AM or FM): (3) up to six commercial radio stations in radio markets with 15-29 radio stations,

¹ Crawford affiliates include KBRT, Costa Mesa, CA; KNSN, San Diego, CA; KCBC, Manteca, CA; KKPZ, Portland, OR; KLZ/KLDC, Denver, CO; KLTT, Commerce City, CO; KLVZ, Brighton, CO; WDCX-FM/WDCZ, Buffalo, NY; WDCX, Rochester, NY; WDJC-FM, Birmingham, AL; WYDE-FM, Cordova, AL; WXJC-FM, Cullman, AL; WYDE/WXJC, Birmingham, AL; WMUZ-FM, Detroit, MI; WMUZ, Taylor, MI; WCHB, Royal Oak, MI; WRDT, Monroe, MI; WPWX, Hammond, IN; WSRB, Lansing, IL; WYCA, Crete, IL; and WYRB, Genoa, IL.

² NPRM at 9.

³ NPRM at 12.

no more four of which may be in the same service (AM or FM); and (4) up to five commercial radio stations in radio markets with 14 or fewer radio stations, no more than three of which may be in the same service (AM or FM), provided that entity does not own more than 50 percent of the radio stations in the market unless the combination comprises not more than one AM and one FM station."⁴

These current ownership limits have resulted in an equilibrium of sorts in many markets, particularly large and medium markets, wherein individual and smaller group owners are not locked out of station ownership by large entities that would otherwise likely seek to eliminate competition by themselves owning most or all the radio stations in a local area. We believe it would continue to be in the public interest to maintain these limits.

We have greatly benefited over the past few years from the Commission's AM Revitalization initiative, and we applaud the Commission's efforts to give struggling AM stations a better chance at sustainability and success. Our AM stations, and indeed our entire company, are better as a result of these efforts.

We do, however, have significant concerns regarding the possibility of modification of ownership subcaps. It is the removal of FM subcaps that is of greatest concern to us. At present, in many markets, it is only the existing subcaps that are holding some licensees back from acquiring many more FM signals. We have no doubt that if the subcaps are removed, existing independently-owned FM stations will in short order be sold to larger groups that will move lucrative talk formats from existing AM outlets to those FM stations. This, we believe, will serve to undo much of the good that has been achieved to date by AM Revitalization.

AM has traditionally been the home of news, sports and talk programming, and it has been this non-music programming that has been the mainstay of most AM stations. In recent years, we have seen an incremental move of these formats to the FM band in some markets. We believe that a wholesale move in many markets is only being held back by existing subcaps – radio groups cannot presently own more than three, four or five FMs in a single market, depending on market size, so in many cases they cannot acquire additional FM signals onto which they can move their talk programming. Removal of the subcaps will remove this impediment.

The result will be much to the detriment of AM Radio. With a drop in demand and an increase in supply, the value of AM stations will significantly drop, in many cases to less than the value of the land on which their antenna sites are built. That will in turn lead to stations going dark. In short, we believe that removal or easing of FM subcaps will do far more harm to AM Radio than all the good the Commission has so far achieved in its AM Revitalization efforts. This will be a tremendous net loss, one that could well start the short countdown to the end of AM Radio as a viable medium.

As such, we would encourage the Commission to carefully consider the big picture and the effect that elimination or easing of current local radio ownership will have on competition, and the detriment that the removal or easing of FM ownership subcaps will have on AM Radio.

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⁴ NPRM at 11.

Respectfully submitted, CRAWFORD BROADCASTING COMPANY

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April 26, 2019